UNITED STATES
FOOD ADMINISTRATION

BULLETIN NO. 6

CREATION OF UNITED STATES FOOD ADMINISTRATION
PLANS FOR WHEAT, FLOUR, AND BREAD CONTROL
PERSONNEL ANNOUNCEMENTS
FOOD, AN INTERNATIONAL PROBLEM

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PRESIDENT WILSON, BY EXECUTIVE ORDER, CREATES THE UNITED STATES FOOD ADMINISTRATION.

WASHINGTON, D. C., *August 10, 1917.*

The following statement was issued by Herbert Hoover after the President, by Executive order, had created the Food Administration and named Mr. Hoover to head it:

The hopes of the Food Administration are threefold. First, to so guide the trade in the fundamental food commodities as to eliminate vicious speculation, extortion, and wasteful practices and to stabilize prices in the essential staples; second, to guard our exports so that against the world's shortage we retain sufficient supplies for our own people and to cooperate with the allies to prevent inflation of prices; and, third, that we stimulate in every manner within our power the saving of our food in order that we may increase exports to our allies to a point which will enable them to properly provision their armies and to feed their peoples during the coming winter.

TO STABILIZE AND NOT DISTURB CONDITIONS.

The Food Administration is called into being to stabilize and not to disturb conditions, and to defend honest enterprise against illegitimate competition. It has been devised to correct the abnormalities and abuses that have crept into trade by reason of the world disturbance and to restore business as far as may be to a reasonable basis.

The business men of this country, I am convinced, as a result of many hundreds of conferences with representatives of the great forces of food supply, realize their own patriotic obligation and the solemnity of the situation, and will fairly and generously cooperate in meeting the national emergency. I do not believe that drastic force need be applied to maintain economic distribution and sane use of supplies by the great majority of American people, and I have learned a deep and abiding faith in the intelligence of the average American business man whose aid we anticipate and depend on to remedy the evils developed by the war, which he admits and deplores as deeply as ourselves. But if there be those who expect to exploit this hour of sacrifice; if there are men or organizations scheming to increase the trials of this country, we shall not hesitate to apply to the full the drastic, coercive powers that Congress has conferred upon us in this instrument.

CONSTRUCTIVE REGULATION IN VARIOUS COMMODITIES.

In enforcing the measures of the act it is not our intention to proceed with a host of punitive measures, but rather by coordination with the various trades to effect such constructive regulations as

will render gambling, extortion, and other wasteful practices impossible, and will stabilize prices. Indulgence in profiteering in this hour of national danger is far from the wish or the will of the vast majority of our business people, and I am convinced that while we must have ready in reserve the corrective powers given us, we shall by these powers free the great majority from necessity to compete with operators whose sole effort is to inflate prices and bring into disrepute the majority of honest traders. We propose to proceed as rapidly as possible with constructive regulation in various commodities and to announce each program as quickly as it is properly formulated. We hope within the next few days to announce the method of wheat and flour control.

The deep obligation is upon us to feed the armies and the peoples associated with us in this struggle. The diversion of 40,000,000 of their men to war or war work; the additional millions of women drafted to the places of their husbands and brothers; the toll of the submarine, have all conspired to so reduce production that their harvests this autumn will fall 500,000,000 bushels of grain below their normal production. Always dependent upon import from other countries for a substantial part of their food needs, our western European allies, because of the destruction of shipping by submarine and the isolation from the normal markets by belligerent lines, are forced to a large degree upon our markets, not only as the nearest but as the only market capable of relieving their bitter necessities. Therefore, whereas we exported before the war but 80,000,000 bushels of wheat per annum, this year, by one means or another, we must find for them 225,000,000 bushels, and this in the face of a short crop. Our best will but partly meet their needs, for even then they must reduce their bread consumption 25 per cent, and it will be war bread they must eat—war bread of which a large portion consists of other cereals.

WE MUST INCREASE ALLIES' MEAT SUPPLIES.

Already the greater call for meat and animal products, due to the stress of war on the millions of men on the fighting line and the enhanced physical labor of populations ordinarily subsisting on lighter diets, coupled with the inadequate world supply, have compelled our allies to kill upward of 33,000,000 head of their stock animals. This is burning the candle at both ends, for they are thus stifling their annual production. Therefore not only must we increase their supplies of meat and dairy products, but must prepare as war goes on to meet an even greater demand for these necessary commodities.

France and Italy formerly produced their own sugar, while England and Ireland imported largely from Germany. Owing to the inability of the first named to produce more than one-third of their needs and the necessity for the others to import from other markets, they all must come to the West Indies for very large supplies and therefore deplete our own resources.

Because of the shortage of shipping only the most concentrated of foods—wheat, grain, beef, pork, and dairy products and sugar—can be sent across the seas. Fortunately, we have for our own use a superabundance of foodstuffs of other kinds—the perishables, fish, corn, and other cereals—and surely our first manifest duty is to

substitute these for those other products which are of greater use to our fellow fighters. Our second duty is to eliminate wastes to the last degree. Seventy per cent of our people are well known to be as thrifty and careful as any in the world and they consume but little or no more than is necessary to maintain their physical strength. They can, however, substitute foods as above. It is not too much to ask the other 30 per cent, by simpler living, to reduce their consumption. The substitutions we ask impose no hardships and the elimination of waste is to-day no more than a patriotic service.

ALLIES DRASTICALLY REDUCE CONSUMPTION.

Every ounce of waste is a contribution toward starvation. Our allies have reduced consumption by the most drastic measures, but it is impossible to reduce consumption to those in war work and engaged in other physical labor.

Therefore the incidence of this drastic reduction among our allies falls upon the old people and the women and children, and any shortage in the supplies we may send them will fall upon this class and this class only, for until they are reduced to starvation they themselves will insist on every sacrifice in order that their fighters in the trenches and the men and women in the munition factories may be maintained.

This war is a struggle to assure the dominance of democracy. Every flag that flies against the central powers is by proxy the American flag. Every man in the ranks of the allies, every woman and child in Europe sacrificing in the maintenance of these men, are fighting in our defense.

SERVICE FOR EVERY MAN, WOMAN, AND CHILD.

We have in our abundance and in our waste an ample supply to carry them and ourselves over this next winter without suffering. If we fail, it is because individual American citizens have failed to see and do this loyal national duty. This is a service in which every man, woman, and child in this country may enter. We shall invite all classes and all trades to sign a volunteer pledge to cooperate with us in the undertaking and so become as much members of the Food Administration as we ourselves are.

There is no royal road to food conservation. It can be accomplished only through sincere and earnest daily cooperation in the 20,000,000 kitchens and at the 20,000,000 dinner tables of the United States. If we can reduce our consumption of wheat flour by 1 pound, our meat by 7 ounces, our fat by 7 ounces, our sugar by 7 ounces per person per week, these quantities, multiplied by 100,000,000, will immeasurably aid and encourage our allies, help our own growing Armies, and so effectively serve the great and noble cause of humanity in which our Nation has embarked.

This cooperation and service I ask of all in full confidence that America will render more for flag and freedom than king-ridden peoples surrender at compulsion.

FOOD ADMINISTRATION ANNOUNCES PLANS FOR WHEAT, FLOUR, AND BREAD CONTROL.

WASHINGTON, D. C., *August 12, 1917.*

The Food Administration announced to-day its plans as to the control of wheat, flour, and bread.

The disturbance to the world's commerce and short supplies has caused a greater disruption of the normal markets for wheat than any other cereal.

1. As a result of the isolation of certain of the world's wheat-producing countries by either belligerent lines or short shipping the normal determination of the price of wheat by the ebb and flow of commerce is totally destroyed.

ALLIES HAVE ONE BUYER.

2. In order to control speculation and to secure more equitable distribution of the available wheat and flour between their countries, the allied Governments nave placed the whole purchase of their supplies in the hands of one buyer. Also the European neutrals are now buying their wheat through single Government agents instead of in the normal course of commerce. Therefore the export price of wheat and flour, and thus in the real price, if not controlled, will be subject to almost a single will of the foreign purchaser.

3. In normal times American wheat moves largely to Europe in the fall months. This year the shortage of shipping necessitates its distribution over the entire year. Therefore there is danger of a glut in our warehouse system over a considerable period.

4. There are large stocks of wheat which can not be drawn upon by the allies during the war, but in the event of peace or defeat of the submarines, these would be available and might seriously demoralize the demand for American wheat.

TWO-DOLLAR WHEAT APPLIES TO 1918 CROP.

5. It must be clearly understood that the guaranteed minimum price of $2 per bushel for wheat, set out in the food bill, does not apply to the 1917 harvest, but only to the 1918 harvest, and then under conditions which must be elaborated. There is therefore no determined price for the 1917 harvest.

The result of this situation is that the normal price-making machinery is entirely broken down unless some efficient Government action is brought into play, either (*a*) the American producer may face a slump in wheat, possibly below his production cost, and (*b*) the export price of wheat which ultimately determines the real price, is at the will of a single agency; (*c*) some one must buy the surplus

wheat at any given moment, and if the surplus passes into speculative hands it will be held for higher prices later in the year; (*d*) with stabilized prices, extra hazards are introduced into all distribution links which must be paid for by the consumer. It must be evident that the United States Government can more justly deal with the situation than any of the agencies mentioned.

COURSE DETERMINED BY FOOD ADMINISTRATION.

Therefore the Food Administration has determined to take the following course:

First. In order to eliminate speculation in wheat and flour all elevators and mills over 100 barrels daily capacity will be required to take out a Government license and the conditions of this license to be—

That only reasonable and customary charges shall be made for warehouse service; that no wheat shall be stored for more than 30 days without the approval of the Food Administration; that certain information as to receipts and shipments shall be supplied regularly. The grain exchanges are being asked to suspend all dealings and quotations in future wheat. These regulations will come into force September 1 and the licenses will be prepared this week.

While farmers' cooperative elevators are excepted by the food bill, this, however, only applies to mutual concerns and not to stock companies, and in any event under the advantages of joining the plan none are likely to stand out.

OPEN AGENCIES FOR THE PURCHASE OF ALL WHEAT.

In substitution of the broken-down marketing machinery, the Food Administration proposes to open agencies for the purchase of all wheat at the principal terminals, carrying on its transactions with the usual dealers, and is prepared to take the whole harvest if necessary in order to maintain a fair price, and will resell wheat for export in such quantities as we can afford to part with in protection of our own people on one hand and to sell on the other to the millers for domestic consumption. The administration will make no charge except a nominal percentage to cover costs of the operation, and arrangements will be made which will assure the Government against loss.

In order that nothing shall be left to mischarge, we are setting up a properly constituted and independent auditing committee, which will check all transactions at every point.

PRESIDENT APPROVES FAIR-PRICE COMMITTEE.

The Food Administration under these arrangements would have a large influence in effecting the price of wheat. With a view to determining a fair price, the President has approved the appointment of a committee to be selected from representatives of the producing sections and consuming elements in community. This committee will be assembled under the chairmanship of President Garfield, of Williams College, and it will be the duty of this committee

to determine a fair price for the 1917 harvest. Upon the determination of this fair basis, it is the intention of the Food Administration to use every authority given it under the bill and the control of exports to effect the universality of this fair basis throughout the whole of the 1917 harvest year without change or fluctuation. It should thus be clear that it will not be to the advantage of any producer to hold back his grain in anticipation of further advance. for he will do so only at his own cost of storage and interest, and if it is necessary for the Government to buy the entire wheat harvest in order to maintain this fair price in protection of the producer, we intend to do so.

Furthermore, the holding of wheat or flour contracts by persons not engaged in the trade, and even when in trade. in larger quantities than is necessary for the ordinary course of their business is unlawful under the act, and such cases will be prosecuted with vigor. And we would advise such holders to liquidate their contracts at once.

TO STABILIZE PRICE OF WHEAT.

By the above arrangement, we believe that we shall stabilize the price of wheat throughout the year; that the hazards of operation due to fluctuating prices which are imposed upon our milling and distributing community will be eliminated, and therefore their business can return to the normal lines and the normal margins of profit, and that we shall not only have stabilized the price of wheat, but stabilized the price of flour, and that it should enable us to arrive at a stabilized price of bread.

The Food Administration has had the patriotic cooperation of the leading millers of the country and these millers have organized, at the request of the Food Administration, a committee to represent the entire trade. Detailed proposals for an agreed differential of profit and expenses per barrel of flour and per ton of feed, are under discussion. Under this arrangement the public will be assured an equitable and stabilized price of flour based upon the cost of raw material. and we confidently expect the volunteer arrangement with the mills which will give satisfaction to the public.

INCREASED AMOUNT OF WHEAT FOR EXPORT.

The universal endeavor over the country to reduce consumption of wheat breadstuffs in order that we may have the requisite exports with which to carry the allies over the forthcoming winter will result in a largely increased amount of wheat available for export. If it were exported as wheat, it would result in diminution of employment in our mills. and of equal importance, curtailment of supply of mill feed for our dairy cattle. Therefore the Food Administration will stipulate for a large proportion of export of flour instead of wheat and as the export orders for flour will be given subject to the approval of the Food Administration, those mills who cooperate with the administration will be given the benefit of the exports employment. By thus encouraging the home production of flour the manufacturing cost will be reduced and therefore the American public will receive indirect benefit in lowered margins of cost in distribution.

In accordance with the policy of the administration to cooperate with all trades, we are this week also discussing details of voluntary arrangements with the flour distributers by which agreed maximum differentials may be effected in the wholesale trade.

DISCUSSING PRODUCTION OF STANDARD LOAF.

An exhaustive investigation is being made into the cost of baking and bread distribution, and active discussions are being carried on with the Bakers' War Emergency Committee as to plans for the elimination of waste in the industry and the production of a standard loaf.

It is impossible to anticipate the price to be enunciated by the Fair Price Committee under Dr. Garfield, and it will probably require two or three weeks in its determination.

The names of the committee are being submitted to the President and will be early announced.

The basis of determination will be to arrive at a price which represents a fair return to the producer for his patriotic endeavor to increase the supply and a proper reduction of the cost of flour to the consumer.

It must be evident to all thinking persons that unless the price of wheat, flour, and bread can be materially reduced we can not expect to maintain the present wage scale of the country and that we must in this social readjustment lose efficiency at a time when we can afford no such sacrifice.

PERSONNEL FAIR PRICE COMMITTEE, OF WHEAT PURCHASING DIVISION, OF REPRESENTATIVES OF LATTER AT VARIOUS TERMINALS, AND OF UNITED STATES MILLERS' COMMITTEE, ANNOUNCED—PRESIDENT AUTHORIZES FOOD ADMINISTRATION GRAIN CORPORATION WITH $50,000,000 CAPITAL.

WASHINGTON, D. C., *August 15, 1917.*

The President has expressed the wish that the following gentlemen shall serve on the committee to determine a fair basic price to be paid in the Government purchases of wheat. The committee will meet in Washington at once.

President H. A. Garfield, of Williams College, chairman.

Charles J. Barrett, president Farmers' Union, Union City, Ga.

Wm. N. Doak, vice president Brotherhood of Railroad Trainmen, Roanoke, Va.

Eugene E. Funk, president National Corn Association, Bloomington, Ill.

Edw. F. Ladd, president North Dakota Agricultural College, Fargo, N. Dak.

R. Goodwyn Rhett, president Chamber of Commerce of the United States, Charleston, S. C.

J. W. Shorthill, secretary National Council of Farmers' Cooperative Association, York, Nebr.

James W. Sullivan, American Federation of Labor, Brooklyn, N. Y.

L. J. Tabor, master Ohio State Grange, Barnesville, Ohio.

Frank W. Taussig, chairman Federal Tariff Commission, Washington, D. C.

Theo. N. Vail, president American Telephone & Telegraph Co., New York City.

Henry J. Waters, president Kansas State Agricultural College, associated with Department of Agriculture, Manhattan, Kans.

PERSONNEL OF GRAIN PURCHASING CORPORATION.

The wheat-purchasing division of the Food Administration will be made up of the following-named executive officers:

Chairman, Herbert Hoover, San Francisco, Cal.

President, Julius H. Barnes, Duluth, Minn.

Treasurer, Gates W. McGarrah, New York City, president Mechanics' and Metals Bank.

Vice president, F. G. Crowell, Kansas City, Mo.

Transportation director, Edw. Chambers, Chicago, Ill., vice president Santa Fe Railway.

Counsel, Judge Curtis H. Lindley, San Francisco, Cal.

Darwin P. Kingsley, New York City, New York Life Insurance Co.

J. W. Shorthill, York, Nebr., secretary National Council of Farmers' Cooperative Association.

Secretary, Watson S. Moore, Duluth, Minn.

The following gentlemen have undertaken appointment to represent the grain division at the various terminals:

Julius H. Barnes, New York.
Edw. M. Flesh, St. Louis, Mo.
M. H. Houser, Portland, Oreg.
C. B. Fox, New Orleans, La.
H. B. Irwin, Philadelphia, Pa.
P. H. Ginder, Duluth, Minn.
Frank L. Carey, Minneapolis, Minn.
George S. Jackson, Baltimore, Md.
Howard B. Jackson, Chicago, Ill.
Charles Kennedy, Buffalo, N. Y.
R. A. Lewin, San Francisco, Cal.
D. F. Piazzek, Kansas City, Mo.
Charles T. Neal, Omaha, Nebr.
E. F. Newing, Galveston, Tex.

All of the men connected with the grain division have absolutely dissociated themselves from any business and any interest whatever in the grain trade and have given their entire time and service to the Government without compensation for the period of the war.

GRAIN MEN'S PATRIOTIC INDORSEMENT.

At a conference of over 100 representatives of the grain and elevator trades of the country held at the offices of the Food Administration this afternoon Mr. Frank I. King, of Toledo, offered the following resolution, the adoption of which was seconded by Mr. E. C. Eikenberry, of Camden, Ohio, president of the Grain Dealers' National Association, and Mr. Richard A. Claybrook, president of the New York Produce Exchange. The resolution, which was unanimously adopted, follows:

Realizing that the operation of Government control in wheats and rye is essential under present war influences in order to adequately protect our home supply and furnish our allies with the aid we owe, and realizing that the establishment of an efficient Government plan of operation means to all of us curtailment of our business and to some of us actual retirement from active business during such period, we do express our pride in the character of service tendered by the grain trade in the sacrifice by these men of ability who are placing their experience and energy at the service of their Government, and that we approve the general plan of operation as explained to us to-day as being sound, workable, and necessary, and in its general lines it appears to us as being the most efficient and just plan of operation which we can conceive.

The adoption of the resolution was greeted with the most enthusiastic applause.

FOOD ADMINISTRATION GRAIN CORPORATION.

The auditing division of the Food Administration is not yet complete in personnel and will be announced later. The ordinary procedure of Government departmental finance in purchase of provisions is not applicable to the customs of buying and selling in the grain trade and following the precedent of the Emergency Shipping Corporation, President Wilson has authorized the creation of a Food Administration Grain Corporation, of $50,000,000 capital, to be used as an instrument by the Food Administration in the conduct of its wheat purchases, sales, and accounting. The corporation will be

managed by the grain division of the Food Administration and all of the stock will be held and owned by the United States Government.

The allied Governments have undertaken to purchase all wheat products which the Food Administration considers can be spared from American consumption at the cost to the corporation, and thus the corporation will be secured in its operations from any possible loss.

The United States Millers' Committee, which will cooperate with the Food Administration in negotiating voluntary regulation of the milling industry, will comprise the following gentlemen:

Chairman, James F. Bell, Minneapolis, Minn.
Secretary, A. P. Husband, Chicago, Ill.
Northwest: Albert C. Loring, Minneapolis, Minn.
Southwest: Andrew J. Hunt, Arkansas City, Kans.
Southeast: E. M. Kelly, Nashville, Tenn.
St. Louis and Illinois: Samuel Plant, St. Louis, Mo.
Ohio Valley: Mark N. Mennel, Toledo, Ohio.
Chicago and Milwaukee: Bernard A. Eckhart, Chicago, Ill.
Pacific coast: Theo. B. Wilcox, Portland, Oreg.
Eastern: Fred J. Lingham, Lockport, N. Y.

FOOD AN INTERNATIONAL PROBLEM.

INTRODUCTION.

WASHINGTON, D. C., *August 20, 1917.*

Food is always more or less of a problem in every phase of its production, handling, and consumption. It is a problem with every farmer, every transporter and seller, every householder. It is a problem with every town, State, and Nation. And now, very conspicuously, it is a problem with three great groups of nations, namely the allies, the central empires, and the neutrals; in a word, it is a great international problem.

OUR NATION'S FOOD PROBLEM.

The food problem to-day of our own Nation, therefore, has as its most conspicuous phase an international character. A sufficient and regular supply of food for the maintenance of the great field armies of our fighting allies and of their no less great armies of working men and working women in the war industries, and, finally, for the maintenance of the women and children in the home, is an absolute necessity, second to no other, for the successful prosecution of the war for liberty. In the providing of this food for the great allied food pool the United States plays a predominant part, for we have long been the greatest granary, food store, and butcher shop in the world, and the place to which those European nations now constituting the chief fighting group of the allies have always turned to obtain the food supplies necessary to make up the deficiency between their food production and food needs.

NEEDS OF ALLIED ARMIES.

With the present diversion of tens of millions of men form the farms into the fighting and industrial armies, resulting in a marked lessening of food production, and the present necessity of increasing the daily ration of other millions of men turned from sedentary occupations into those of strenuous physical labor, resulting in a marked increase of consumption, this deficiency between the food needs and the food production of the allies becomes greater than ever, with the consequence of a large increase in the food quantities imperatively needed from the United States if the allied armies are to be able to "carry on."

TIME HAS COME FOR DETAILED STATEMENT.

This is a general statement of a condition which only needs to be elaborated in detail to show just what we have to do. The time has come when this detailed statement can be made. Our harvests and

the harvests of Europe can now be forecasted. We can also survey our combined stocks of food animals, in other words, the size of that part of the world's larder on which we and the allies can draw for the next 12 months can now be estimated. This estimate shows at once that it contains too little for our own and our allies use unless we all administer the supply with the greatest care and wisdom. The allied peoples are energetically undertaking this administration. It lies now with us to do our part. If we fail, the people of the allies can not be maintained at war. Their soldiers can not fight without food. A certain definitely determinable part of that food must come from us. Let us then examine carefully the world's larder as it appears to-day, or so much of it as is at our disposal.

I propose to review the situation first as regards the cereals; second as regards food animals and their products; third as regards sugar; fourth as regards vegetables; fifth as regards fish and sea foods; and finally as regards our duty in the matter.

CEREALS.

The 1917 harvest is now so far advanced that we may compare it with previous production and with the demands which are going to be made on it.

The following table is given to show the normal peace sources of the annual supplies of France, Italy, the United Kingdom, and Belgium, being an average of the three-year prewar period:

Commodity.	Production.	Imports from United States.	Imports from Canada.	Net imports, other sources.	Consumption.
	Bushels.	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*
Wheat	590,675,000	79,126,000	112,900,000	188,478,000	974,185,000
Corn	121,109,000	10,811,000	.....	135,675,000	266,596,000
Oats	570,890,000	6,783,000	16,580,000	88,612,000	682,865,000
Barley	125,201,000	4,946,000	6,660,000	63,030,000	199,793,000
Rye	78,573,000	567,000	60,000	11,339,000	90,537,000
Total	1,486,448,000	102,533,000	136,200,000	487,131,000	2,214,276,000

It will be seen from the above that the normal imports of wheat are 381,000,000 bushels and of other cereals 345,000,000 bushels. The estimate of the 1917 harvest in the allied countries, based upon crop reports from these countries, is as follows:

Commodity.	Probable 1917 production.	Average normal production.	Deficiency in production due to war.
	Bushels.	*Bushels.*	*Bushels.*
Wheat	393,770,000	590,675,000	196,905,000
Corn	91,464,000	121,109,000	26,645,000
Oats	337,235,000	570,890,000	233,655,000
Barley	93,585,000	125,201,000	31,616,000
Rye	41,732,000	78,573,000	36,841,000
Total	960,786,000	1,486,448,000	525,662,000

In order to provide normal consumption it would therefore be necessary to import in the next 12 months a total of 577,000,000 bushels of wheat and 674,000,000 bushels of other cereals.

The prospective position of our own and the Canadian harvest is as follows:

Commodity.	Probable United States, 1917.	Average normal United States consumption.	Probable United States surplus.	Add possible Canadian surplus.
	Bushels.	*Bushels.*	*Bushels.*	*Bushels.*
Wheat	678,000,000	590,304,000	88,000,000	120,000,000
Corn	3,124,000,000	2,653,698,000	470,000,000	62,000,000
Oats	1,453,000,000	1,148,713,000	304,000,000	30,000,000
Barley	214,000,000	178,829,000	35,000,000	9,000,000
Rye	56,100,000	35,866,000	20,200,000	18,000,000
Total	5,525,100,000	4,607,410,000	917,200,000	239,000,000

Our crops, especially our corn crop, can not yet be considered as certain, but if all mature safely, North America will have an apparent surplus of wheat of 208,000,000 bushels and of other cereals of about 950,000,000 bushels.

The allies are isolated from those markets, other than Canada and the United States, on which they were accustomed to rely before the war. The Russian supply can not be got out. Bulgarian and Roumanian supplies are in the hands of the central empires. The voyage from Australia and India is three times as long and therefore requires three times as many tons of shipping as is required from North Atlantic ports. It is also twice as dangerous, because of the longer exposure to submarine attack. There has been a large failure in the South American countries, and the new harvest from that quarter will not be available in Europe until next spring. As already said, all the allied countries are, and have been, for some time rigorously administering and economizing their food. In Belgium, the relief commission has been compelled to reduce the consumption of cereals by nearly 50 per cent; this brings the food supply so low that the population are incapable of labor.

MUST MULTIPLY CEREAL EXPORTS TWENTY TIMES.

From the above tables it will be seen that on normal bases of consumption the total allied wheat import requirements are 577,000,000 bushels against a North American surplus of 208,000,000 bushels—and from our United States supplies we must reserve a certain amount for neutrals from which we receive vital supplies and also an amount to protect our stocks better next year than this last. There is therefore on normal consumption a deficit of over 400,000,000 bushels.

In the other cereals used in Europe mostly for animal feed, the import necessities of the allies on normal consumption basis are about 674,000,000, against a North American surplus of 950,000,000, but again a reserve for neutrals and increased "carry over" will absorb all the margin. In any event it means we must multiply our exports of these cereals 20 times. However, upon the basis of our present crop prospects we should be able to supply their requirements in cereals other than wheat.

WHEAT SITUATION ONE OF GREAT DIFFICULTY.

The situation in wheat is one of great difficulty and concern, and must be met by an elimination of waste and reduction of consumption on the part of the allied peoples and ourselves; in one word, by an effective administration of the available supply.

The allies are unable to use other cereals alone for bread. They can use them only as added to wheat flour to make the war bread now in universal use in European countries. Except in Italy, whose people normally consume much corn, our allies have few corn mills, and corn meal is not a durable commodity and therefore can not be shipped in great quantities.

Moreover, for generations they have bought bread from the bakeries; they have no equipment nor do they know how to bake in the household. Every American knows that it is infeasible to distribute

corn bread from bakeries, and it is therefore necessary for us to furnish our allies with sufficient wheat to enable them to have a wheat basis for the loaf. However, they can use and must use other cereals for mixture in their war bread, and by this substitution and by savings on their part a great deal can be accomplished. On the other hand a deficit of 400,000,000 bushels can be at least partially overcome if we can increase our exports from 88,000,000 to 220,000,000 or nearly triple. This can be accomplished if we will substitute 1 pound of other cereals for 1 pound of wheat flour weekly per person; that is, if we reduce our consumption of wheat flour from 5 pounds per week to 4 pounds per week per person. It will be no privation to us and will reduce the privation of our allies.

FOOD ANIMALS.

Owing to the ascending standard of living, the world was already strained to supply enough animal products to meet the demand before the war began. The war has injected into an already difficult situation a number of vicious conditions which are jeopardizing the ultimate animal products supply of the world. The production of fodder in Europe has been diminished by the diversion of productive labor to war, and its import has been curtailed by shortage in shipping and by the isolation of markets by belligerent lines. From these causes not only are the actual numbers of animals decreasing in Europe, but the average weight and the annual output of dairy products per animal are decreasing.

INCREASED SUPPLY OF ANIMAL PRODUCTS NEEDED.

The men in the armies, the men engaged in the shops, and the millions of women forced to physical labor, have required a greatly increased supply of animal products. Millions of individuals to whom fresh meat twice a week was a luxury are now, by necessity of their extreme physical labor, eating it twice daily. The supply of wool and leather has decreased in a period when there are additional demands, for the extra amount of normal clothing for the soldiers must be met. All European countries have drastically reduced the consumption of meat and clothing among the nonwar workers to a point that would seem impossible to the American people, but despite this, the actual meat, fat, wool, and leather consumption in the allied countries has increased as a result of the war. Under the pressure of these forces, Europe has been eating into its herds and flocks, and thus is burning the candle at both ends.

INROADS ON HERDS GROW IN VOLUME.

These vicious forces accumulate impetus as the war goes on, for with a diminished herd and thus a diminished production and a continuous demand, the inroads on the herds grow in volume.

A careful estimate of the world's food animal position shows the following summarized position:

	Increase(+) or decrease (−), United States.	Decrease, western allies.	Decrease in other countries, including enemies.	Total net decrease.
Cattle	+7,090,000	8,420,000	26,750,000	28,080,000
Sheep	−3,000,000	17,500,000	34,000,000	54,500,000
Hogs	+8,275,000	7,100,000	31,600,000	32,425,000
Total		33,020,000	92,350,000	115,005,000

The problem facing the American people is not only one of supplying the immediate demand of the allies, but one which is more far-reaching in its future significance. As the war goes on there will be a constant lessening of the capital stock of food animals of the world. Among our western allies the demand outruns further every day the decreasing production, and as shipping becomes further shortened by continued submarine destruction, less tonnage can be devoted to fodder, and further reduction of the herds must ensue. These destructive forces have given rise to reactions in many directions. The world's supply of meat and dairy products, of animal fats and industrial fats, wool and hides, are all involved not only now but for far into the future.

MEATS.

The immediate problem is to furnish increased meat supplies to the allies to maintain them during the war. An important factor contributing to the present situation lies in the disturbance to the world's trade by destruction of shipping resulting in throwing a larger burden on North America, the nearest market. Shipments from the Australasian, South American, and from the continental countries into the allied countries have been interfered with. Their contributions must be replaced by increased shipments from North America.

GROWTH OF AMERICAN MEAT EXPORTS.

The growth of American meat exports since the war began, most of which have been supplies to allied nations, is revealed by the following figures:

	Pounds.
Three-year prewar average	493, 848, 000
Year ending June 30, 1916	1, 339, 193, 000

The impact of European demand upon our animal products will be maintained for a long period of years after peace. We can contemplate a high range of prices for meat and for animal products for many years to come. We must undertake to meet the demand not only during the war so as to enable our allies to continue to fight, but we must be prepared to meet the demand after the war. Our herds can not be increased in a single night or in a single year. Our producers will not only be working in their own ultimate interest in laying the foundation of larger herds and flocks, but will serve our national interest and the interest of humanity, for years to come, if the best strains of young animals are preserved. This increase in herds can only be accomplished if we save more of our roughage and raise more fodder grains. It is worth noting that after the war Europe, with lessened herds, will, pending their recuperation, require less fodder and will therefore produce more bread grains and import less of them, so that we can, after the war, safely reduce our bread grain production to increase our fodder. But we must lay our foundation in the meantime to increase our herds.

MUST CAREFULLY CONTROL MEAT EXPORTS.

There is only one immediate solution to the short supply of meat for export pending the increase in our herds and flocks, which will take years. During the course of the war we can, just as with the cereals, reduce the consumption and eliminate the waste, particularly among those classes which can best afford it. In the meantime, in order to protect all of our people, we must carefully control our meat exports in order that the people shall not be denied this prime necessity of life.

DAIRY PRODUCTS.

The world's dairy supplies are decreasing rapidly for two important reasons: First, the dairy cattle of Europe are diminishing, for Europe is being driven to eat its cattle for meat; second, the diversion of labor to war has decreased the fodder supplies and the shortage of shipping has limited the amount of imported fodder, and therefore the cattle which can be supported and the productivity of the individual cow have been reduced. Even our own dairy supplies are not keeping pace with our growth of population, for our per capita milk supply has fallen from 90 to 75 gallons annually in the past 15 years. Yet to-day we must ship increasing amounts of dairy products to our allies.

ALLIES SHORT OF DAIRY SUPPLIES.

The dairy supplies of the allies in normal times came to a considerable degree from western Scandinavia, Holland, and Switzerland, but under German pressure these supplies are now partly diverted to Germany. The men under arms and the wounded must be supplied with condensed milk in large quantities. The net result of these conditions, despite rigorous reduction of consumption among the adults of the civil population in Europe, is that our allies are still short of large quantities, and again the burden of the replacement of this shortage must fall on North America. The growing exports of dairy products from the United States to the allies are shown in the following table:

	Three-year average.	Year ending June 30, 1916.
	Pounds.	*Pounds.*
Butter	4,457,000	13,487,000
Cheese	3,780,000	44,391,000
Condensed milk	17,792,000	159,577,000

DAIRY CATTLE DECREASING IN SOME SECTIONS.

The high price of fodder and meat in the United States during the past few months induced by the pressing European demand has set up dangerous currents in this country, especially in those regions dependent upon butter and the sale of milk to municipalities having made it more profitable to sell the cattle for meat than to keep them and produce dairy products. Therefore, the dairy cattle are decreasing in some sections. The only sections in which dairy products have had a rise in price in appropriate proportion to the increase in cost of feeds are those producing condensed milk and cheese.

Our home milk and butter supplies are therefore looked at in a broad way, decreasing while our population is increasing. This deficiency of dairy butter is shown by the increased sales of margarine, which show an increase of several million pounds per month over similar periods in 1915. Dairy butter, however, has qualities which render it vitally necessary for children. Milk has no substitutes and is not only intrinsically one of our cheapest animal foods, but is absolutely fundamental to the rearing of the children.

THREE PHASES OF DAIRY SITUATION.

The dairy situation resolves itself into several phases. First, it is to be hoped that the forthcoming abundant harvest, together with a proper restriction upon exports of feeding stuffs, will result in lower prices of feed and diminish the impetus to sell the cattle for meat. Second, the industry needs encouragement so as to increase the dairy herd and thus our dairy supplies, for the sake first of our own people and second of the allies. The people must realize the vital dependence of the well-being of their children, and thus of the Nation, upon the encouragement and upbuilding of the industry. Third, we must save the wastes in milk and butter during the war if we are to provide milk supplies to all. We waste large quantities of our milk values from our lack of national demand for products of skimmed and sour milk.

PORK PRODUCTS.

The hog is the most efficient of machines for the production of animal fat. The hog not only makes more fat from a given amount of feed, but also the products made are specially capable of preservation and most economical for commercial handling.

The swine of Europe are rapidly decreasing and the consumption demand induced by the war is much increased, and this particularly because bacon, ham, and lard are so adaptable for military supplies. Moreover, our allies are isolated from many markets and a large amount from northern neutrals is being diverted to Germany.

While our hogs have increased in number by 3,000,000 animals, the average weight at slaughter is falling and our production is probably only about maintained. The increasing demand upon us since the war began is shown by the following figures of comparative exports:

	Pounds.
Three-year prewar period	1,055,614,000
Year ending June 30, 1916	1,512,375,000

In this is included all the products of the hog. Lard alone aggregated 513,000,000 pounds.

WOOL AND LEATHER.

Our national supply of both wool and leather are less than our needs, and we are importing them more and more largely, as shown by the following figures:

Importations of wool and manufactures of wool (value) for the three-year prewar period, $62,457,965; for the fiscal year ending June 30, 1916, $158,078,271.

Importations (value) of hides, leather, and manufactures of leather average of the three-year prewar period, $133,171,398; for the year ending June 30, 1916, $177,880,902.

At the present time the world's demand for these products has increased far above the peace level owing to the extra consumption in supplying the armies. This demand is now again increased by the mobilization of a large American army. In the face of this, not only is the European herd decreasing, but also American sheep have decreased about 3,000,000 since the war began. After the war is over the various countries of the world from which we formerly drew our wool are likely to retain it for their own use until their flocks again become normal.

SUGAR.

The sugar supply on which our allies in Europe normally draw has been tremendously reduced, so that they must have recourse to other sources. In consequence of the shipping situation the area from which they must draw is also curtailed, and, as a result, they are driven into those markets from which our own supply normally arises. Furthermore, their own production has been greatly diminished. Before the war Europe supplied in a large measure its own needs, through the production of beet sugar, as will appear from the following table showing the average yearly production and consumption for the five years before the war (1909–1913) in some of the chief countries of Europe:

	Production.	Consumption.	Surplus (+) or deficiency (−).
	Short tons.	*Short tons.*	*Short tons.*
Germany	2,525,899	1,299,585	+1,226,314
Austria	1,651,889	679,204	+ 972,685
Russia	1,659,947	1,322,285	+ 337,662
United Kingdom	.....	2,056,000	−2,056,000
France	752,542	704,830	+ 47,712
Italy	211,050	190,000	+ 21 050
Belgium	279,918	120,358	+ 159,560
Holland	246,146	131,538	+ 114,608

As appears from the table, France, Italy, Russia, and Belgium were self-supporting, while the United Kingdom drew its entire sugar supply from exterior sources. The supply of the United Kingdom came to the amount of about 70 per cent from countries from which it is now cut off by the war. Ten per cent came from the East Indies and 20 per cent from the United States and the West Indies.

The prospective 1918 crop in France has diminished to 207,000 tons and that of Italy to 75,000 tons, and they are therefore short 590,000 tons. The displacement of United Kingdom supplies amounts to 1,435,000 tons; and therefore, in total, these three allied countries must import about 2,700,000 tons in order to maintain their normal consumption. Of this, 2,000,000 tons must come from new sources.

ALLIES HAVE REDUCED SUGAR CONSUMPTION.

The disturbance of shipping reduces the tonnage available and drives the demand to a large degree upon the nearest markets, the United States and the West Indies. This field has since the war increased its production by 1,000,000 tons per annum. How far this demand will interfere with the American supply of 4,000,000 tons is difficult to forecast, first, because some increased supplies may be obtained by the allies from the East Indies, and, second, because the allies have reduced their consumption to some extent.

In any event, if all the enemies of Germany are to be supplied, there must be economy in consumption everywhere. The normal American consumption is about 90 pounds per person per annum, and is just double the French consumption.

VEGETABLES.

We have this year a most abundant crop of vegetables for our use as a result of a patriotic endeavor almost universal throughout the country. Our potato harvest alone promises an increase from 285,000,000 bushels last year to over 400,000,000 bushels this year. The other vegetables are likewise enormously increased through the planting and extension of millions of gardens. The sweet-potato crop promises to be from 10 to 20 per cent above what it was last year, and the commercial crop of sweet corn for canning purposes is estimated to be from 20 to 30 per cent above that of last year. The commercial crop of tomatoes for canning purposes will probably be somewhere between 10 and 20 per cent above what it was last year. There is an increase in the acreage of late onions of about 54 per cent over the area harvested in 1916.

FISH AND SEA FOOD.

The waters of our coasts and lakes are enormously rich in food fish and shellfish. Our streams, too, contribute a great quantity of fish. Many varieties are now not used for human food but are thrown away or used for fertilizer. Habit has confined our use of fish to a few varieties, and inadequate methods of commercial handling have limited our use of these largely to only certain days in the week. With better marketing facilities, with better understanding of how to use the most varieties, with proper preservation by smoking and salting and by establishing plants for frozen fish, we can increase greatly our supply and thus relieve largely the pressure due to the inadequate supply of meat. We only have to harvest our own fish supply. It feeds itself. Every fish eaten is that much gained in solving the present problem of living. The products of the land are conserved by eating those of the sea.

OUR DUTY.

I have endeavored to show in previous articles that the world is short of food; that Europe is confronted with the grim specter of starvation unless from our abundance and our waste we keep the wolf from the door. Not only must we have a proper use of our food supply in order that we may furnish our allies with the sinews with which they may fight our battles, but it is an act of humanity toward fellow men, women, and children.

By the diversion of millions of men from production to war, by the occupation of land by armies, by the isolation of markets, by belligerent lines, and by the destruction of shipping by submarines, not only has the home production of our allies fallen by over 500,000,000 bushels of grain, but they are thrown upon us for a much larger proportion of their normal imports formerly obtained from other markets.

They have reduced consumption at every point, but men in the trenches, men in the shops, and the millions of women placed at physical labor require more food than during peace times, and the incidence of their saving and any shortage which they may suffer, falls first upon women and children. If this privation becomes too great, their peoples can not be maintained constant in the war, and we will be left alone to fight the battle of democracy with Germany.

NOT TO IMITATE EUROPE'S POLICED RATIONING.

The problem of food conservation is one of many complexions. We can not and we do not wish, with our free institutions and our large resources of food, to imitate Europe in its policed rationing, but we must voluntarily and intelligently assume the responsibility before us as one in which everyone has a direct and inescapable interest. We must increase our export of foods to the allies, and in the circumstances of our shipping situation, these exports must be of the most concentrated foods. These are wheat, flour, beef, pork, and dairy products. We have other foods in great abundance which we can use instead of these commodities, and we can prevent wastes in a thousand directions. We must guard the drainage of exports from the United States, that we retain a proper supply for our own country, and we must adopt such measures as will ameliorate, so far as may be, the price conditions of our less fortunate. We might so drain the supplies from the country to Europe as by the high prices that would follow to force our people to shorten their consumption. This operation of "normal economic forces" would starve that element of the community to whom we owe the most protection. We must try to impose the burden equally upon all.

NO ROYAL ROAD TO FOOD CONSERVATION.

There is no royal road to food conservation. We can only accomplish this by the voluntary action of our whole people, each element in proportion to its means. It is a matter of equality of burden; a

matter of minute saving and substitution at every point in the 20,000,000 kitchens, on the 20,000,000 dinner tables, and in the 2,000,000 manufacturing, wholesale, and retail establishments of the country.

The task is thus, in its essence, the daily individual service of all the people. Every group can substitute, and even the great majority of thrifty people can save a little—and the more luxurious elements of the population can, by reduction to simple living, save much. The final result of substituting other products and saving 1 pound of wheat flour, 2 ounces of fats, 7 ounces of sugar, and 7 ounces of meat weekly by each person will, when we have multiplied this by 100,000,000, have increased our exports to the amounts absolutely required by our allies. This means no more than that we should eat plenty, but eat wisely and without waste.

WARS MUST BE PAID FOR BY SAVINGS.

Food conservation has other aspects of utmost importance. Wars must be paid for by savings. We must save in the consumption in commodities and the consumption of unproductive labor in order that we may divert our manhood to the Army and to the shops. If by the reduction in consumption of labor and the commodities that it produces and the diversion of this saving to that labor and those commodities demanded by the war, we shall be able to fight to eternity. We can mortgage our future savings for a little while, but a piling up of mortgages is but a short step toward bankruptcy. Every atom that we save is available for subscription to Liberty Bonds.

The whole of Europe has been engaged ever since the war began in the elimination of waste, the simplification of life, and the increase of its industrial capacity. When the war is over the consuming power of the world will be reduced by the loss of prosperity and man power, and we shall enter a period of competition without parallel in ferocity. After the war, we must maintain our foreign markets if our working people are to be employed. We shall be in no position to compete if we continue to live on the same basis of waste and extravagance on which we have lived hitherto. Simple, temperate living is a moral issue of the first order at any time, and any other basis of conduct during the war becomes a wrong against the interest of the country and the interest of democracy.

PRICES OF FOODSTUFFS HAVE NEARLY DOUBLED.

The impact of the food shortage of Europe has knocked at every door of the United States during the past three years. The prices of foodstuffs have nearly doubled, and the reverberations of Europe's increasing shortage would have thundered twice as loudly during the coming year even had we not entered the war, and it can now only be mitigated if we can exert a strong control and this in many directions.

We are to-day in an era of high prices. We must maintain prices at such a level as will stimulate production, for we are faced by a starving world and the value of a commodity to the hungry is greater than its price.

As a result of the world shortage of supplies, our consumers have suffered from speculation and extortion. While wages for some kinds of labor have increased with the rise in food prices, in others it has been difficult to maintain our high standard of nutrition.

By the elimination of waste in all classes, by the reduction in the consumption of foodstuffs by the more fortunate, we shall increase our supplies not only for export but for home, and by increased supplies we can help in the amelioration of prices.

Beyond this the duty has been laid upon the Food Administration to cooperate with the patriotic men in trades and commerce, that we may eliminate the evils which have grown into our system of distribution, that the burden may fall equitably upon all by restoration, so far as may be, of the normal course of trade. It is the purpose of the Food Administration to use its utmost power and the utmost ability that patriotism can assemble to ameliorate this situation to such a degree as may be possible.

ASK ALL TO GIVE NATIONAL SERVICE.

The Food Administration is assembling the best expert advice in the country on home economics, on food utilization, on trade practices and trade wastes, and on the conduct of public eating places, and we shall outline from time to time detailed suggestions, which if honestly carried out by each individual in the country, we believe will effect the result which we must attain.

We are asking every home, every public eating place, and many trades to sign a pledge card to accept these directions, so far as their circumstances permit, and we are organizing various instrumentalities to ameliorate speculation. We are asking the men of the country who are not actually engaged in the handling of food to sign similar pledges that they shall see to it, so far as they are able, that these directions are followed. We are asking all who wish us well and who undertake our service to become actual members of the Food Administration, just as much volunteers in national service as we ourselves are, so that thus the Food Administration may not be composed of a small body of men in Washington and a small representation in each State, but may become a body of 50,000,000 people, devoted absolutely to the services of democracy. We hope to see the insignia of membership in every patriotic window in the country.

AMERICAN PEOPLE ASKED TO ORGANIZE.

Autocracy finds its strength in its ability to impose organization by force from the top. The essence of democracy consists in the application of the initiative in its own people. If individualism can not be so organized as to defend itself, then democracy is a faith which can not stand. We are seeking to impose no organization from the top. We are asking the American people to organize from the bottom up, and this is the essence of democracy itself.

The call of patriotism, of humanity, and of duty rings clear and insistent. We must heed it if we are to defend our ideals, maintain our form of government, and safeguard our future welfare.

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